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E.O. 12958: DECL: 07/15/2018 TAGS: MCAP PGOV PREL RU VE

SUBJECT: CHAVEZ BUYS ARMS AND INVITES RUSSIAN NAVY

REF: A. CARACAS 422 ¶B. 07 CARACAS 2319

Classified By: Daniel Lawton, Acting Political Counselor, for Reason 1.4(d).

11. (C) SUMMARY: Bolivarian Republic of Venezuela Communications Minister Andres Izarra on July 22 denied local media reports that President Hugo Chavez offered to base Russian troops at a military facility in Venezuela and that Chavez' arms deal with Russia has swollen to almost USD 30 billion. The July 23 editions of local newspapers reported Chavez repeating the claim that the FOURTH FLEET was threatening Venezuela and destabilizing the region. Chavez stated that cooperation with Russia guaranteed Venezuela's security and predicted that visiting Russian Navy ships would receive a warm welcome. The Russians are more likely to come as trainers and technicians than combat troops. The quick denial by Izarra yet another recent example of the BRV "clarifying" and moderating Chavez' foreign policy pronouncements. End Summary.

THE RUSSIANS ARE COMING?

- 12. (SBU) BRV Communications Minister Andres Izarra called into the July 22 broadcast of state-run political talk show "La Hojilla" denying the Interfax news story that Venezuela's arms purchases from Moscow had ballooned to USD 30 billion and that Chavez offered basing rights to Russia. Calling the private media outlets that carried the story 'ill-intentioned," Izarra explained the 30 billion figure was totally false and that Chavez' statement on Russians in Venezuela "was out of context."
- $\underline{\P}$ 3. (SBU) Chavez told a reporter that the FOURTH FLEET was "a threat, not just against Venezuela but against all Latin America." The Venezuelan strongman explained that given the Russian forces' mobility that it would not be "unusual" for Russian ships to appear in Venezuelan ports. Chavez predicted that the welcome for a Russian fleet would include banners, beating drums and singing songs.'

SUPER SIZE ME

14. (SBU) The Venezuelan nation-wide daily El Nacional reported July 23 that Chavez justified the arms purchases by accusing the United States of harboring "plans to invade Venezuela." According to El Nacional, Chavez said the re-armament of Venezuela was at "full sail" and purchases included three Varshavyanka variant KILO class submarines, six Amur variant KILO class submarines, 20 TOR-M1 air defense systems (Ref. A), 10 surface ships, 20 patrol aircraft (possibly the IL-114 available in maritime patrol, strike, AWACS and SAR variants) and 10 Mi-28N HAVOC all-weather attack helicopters (Ref B). The Venezuelan regional paper

Notitarde reported on July 15 that Venezuela would buy an undisclosed number of 2S25 SPRUT-SD light tanks.

15. (C) Comment: The steep learning curve associated with this new equipment means that, despite Chavez' promise of a warm welcome, Russians are likely to arrive as trainers and technicians, instead of combat troops. Izarra's quick clarification is yet another indicator of the BRV's sensitivity in an election year to accusations that Chavez is pursuing a radical foreign policy. End Comment.

DUDDY